(d) by when the probe is likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) to (d) Reserve Bank of India (RBI) was requested by the Government to undertake a detailed investigation into the functioning of Indian Bank during the tenure of former Chairman & Managing Driector, Indian Bank and to submit a comprehensive report indicating the action needed to be taken and steps necessary to prevent occurrence of irregularities of such nature. RBI have submitted the report. Necessary action has been initiated by Indian Bank for fixing staff accountability for various lapses. Central Bureau of Investigation (CBI) have also registered cases for looking into criminal culpability including that on the part of various officials of the Bank. Any other offences which might come to notice would also be within the jurisdiction of investigating authorities. A Public Interest Litigation has also been filed in the Supreme Court of India and In their Order dated 6.5.1998, the Court has fixed 21st July, 1998 for final hearing of the petition. The Court has directed that the response of the respondents the points raised by amicus curiae should be submitted by July 13, 1998.

Transfer of Officers

652. SHRI PRANAB MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of officers belonging to income-tax, customs and revenue intelligence and Directorate of enforcement posted at Chennai have been transferred recently;

(b) whether some of these officers were investigating sensitive cases; and

(c) whether the process of investigation will be affected as a result of such mass transfers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) and (b) As per established administrative practice, some Group 'A' officers of the Enforcement Directorate and Income Tax Department, posted all over India (including Chennai) were transferred recently. Officers of this level deal with all types of cases.

(c) Investigations are conducted on merits of the case. The successor officer, to ensure continuty, takes up the ongoing enquiries/investigations from the stage where they are left by the predcessor.

Withdrawal of Cases Against Honest Tax Payers

653. SHRI SITARAM KESRI: Will the Minister of FINANCE be pleased to state:

(a) whether the All India Federation of Income-tax practitioners have urged Government to consider withdrawing cases against honest tax payers;

(b) if so, whether they have made any proposal as to how a tax payer is to be adjudged as honest and the number of such persons against whom cases are pending with the Income Tax authorities;

(c) whether Government have examined the matter; and

(d) if so, reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) and (b) The Government has received a letter dated 03.4.1998 from All India Federation of Tax Practitioners, Mumbai containing the proposal for a scheme for honest tax payers to reduce litigation and to utilise their time, money and energy for productive purposes.

(c) and (d) A large number of suggestions are received by the Government at the time of formulating the budget proposals. They are duly considered and the decision of the Government on these issues is reflected